

FISCAL NOTE

SB 2568 - HB 2578

February 17, 2006

SUMMARY OF BILL: Requires that insurance companies whose rates are regulated by the Department of Commerce and Insurance grant employers credits for drug-free workplace programs based on the insurance company's total annual premiums. Employers insured by these companies that make payments on a schedule shall receive the credits equally over the payment schedule.

ESTIMATED FISCAL IMPACT:

Increase State Revenues – Not Significant

Assumptions:

- Credits are usually granted to companies at the end of the year when the premium audit is completed.
- Requiring companies to apply the credit to the total annual premium at the beginning of the policy year or to employers on a payment schedule equally over the total annual premium may potentially increase the amount of premium tax paid by the insurers. However, such increase is estimated to be not significant.

CERTIFICATION:

This is to duly certify that the information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink, appearing to read "James W. White". The signature is fluid and cursive, with the first name "James" written in a smaller, more compact script than the last name "White".

James W. White, Executive Director